

Testimony of  
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Affairs  
before the  
Senate Committee on Commerce, Science and Transportation  
Subcommittee on Consumer Affairs, Foreign Commerce and  
Tourism  
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Mr. Chairman, members of the Committee, it is an honor for me to testify today before this committee of the United States Senate regarding the Bush Administration's trade policy toward Cuba. I want to thank the Chairman for giving me this opportunity to testify before this committee.

President Bush yesterday announced his Initiative for a New Cuba. The Initiative calls on the Cuban government to undertake political and economic reforms, and to conduct free and fair elections next year for the National Assembly. The Initiative challenges the Cuban government to open its economy, allow independent trade unions, and end discriminatory practices against Cuban workers. If the Cuban Government takes these concrete steps to open up its political and economic system, President Bush will work with the Congress to ease the ban on trade and travel between the United States and Cuba.

With reform, trade can benefit the Cuban people and allow them to share in the progress of our time. Without major reform, unrestricted trade with Cuba only helps the Castro regime, not the Cuban people.

The Initiative for a New Cuba also reaches out to the Cuban people immediately by facilitating meaningful humanitarian assistance to the Cuban people by American religious and other nongovernmental groups; by providing direct assistance to the Cuban people through non-governmental organizations; by seeking the resumption of direct mail service to and from Cuba; and by establishing scholarships in the United States for Cuban students and professionals trying to build independent civil institutions and for family members of political prisoners.

The Initiative for a New Cuba also states that the United States is not a threat to Cuban sovereignty.

The Initiative for a New Cuba is not the end of the President's policy review, but the beginning of an ongoing, flexible and responsive campaign designed to generate rapid and peaceful change within Cuba.

The Initiative is important because Cuba continues to be ruled by a dictator. The regime has failed to meet the basic needs of the Cuban people and it continues to deny them the freedoms of speech and assembly as well as the ability to choose their leaders. The Committee to Protect Journalists continues to list Cuba as one of the 10 worst enemies of the press worldwide characterizing its actions as a "scorched earth assault" on independent journalists.

Cuba is the exception to our hemispheric family of democratic nations. It is essential that democratic development, especially through the formation of independent civil society organizations, political parties, and free elections, begin rapidly in order to maximize the prospects for a smooth transition to democracy. The regime has shown little interest in reforming itself, or moving toward a more open or representative government. For this reason, the Administration opposes steps which would have the effect of strengthening the Cuban regime. But the Initiative encourages the Cuban government to begin addressing the concerns we share with other nations of the hemisphere.

Central to our policy, is the reality of the Government of Cuba, which has continued to be hostile to the United States. Cuba remains on the list of state-sponsors of terrorism, in part because Cuba harbors fugitives from U.S. justice. Furthermore, the Cuban regime continues to violate human rights and fundamental freedoms. This was amply illustrated by the jailing of Vladimiro Roca, in the most oppressive of conditions, for over 1,700 days simply because he had the courage to call for a national dialogue. In fact, the U.N. Commission on Human Rights recently approved a resolution calling on Cuba to make progress in respecting human, civil and political rights.

As the Secretary has noted, a number of events since August 2001 also have contributed to a reevaluation of

our policy toward Cuba. First, in the wake of the tragic events of September 11, Cuba's reaction was hostile to U.S. efforts to respond to terrorism. This was clear from Cuban government statements that the war in Afghanistan is "fascistic and militaristic" and the Cuban Foreign Minister's remarks at the UN General Assembly, when he accused the United States of intentionally targeting Afghan children for death and Red Cross hospitals in Afghanistan for destruction. Also in September, five agents of the Cuban government were sentenced for conspiring to spy against the United States, including efforts to penetrate U.S. military bases. One of these five also was convicted and sentenced for conspiracy to commit murder. Further, on September 21, 2001, Ana Belen Montes, a senior analyst in the Defense Intelligence Agency, was arrested for spying for Cuba against the United States. She subsequently entered a guilty plea in March 2002.

Spying, Cuba's harboring of fugitives from U.S. justice, and its continued violation of human rights and fundamental freedoms, combine to demonstrate that Cuba continues to carry out its aggressive policies against the United States and its own people. Moreover, we know that Cuba has a sophisticated biotechnology infrastructure capable of supporting a biological weapons program and has transferred dual-use technology to a number of countries around the world, including those with known or suspected biological weapons programs. These facts underpin our assessment that Cuba has at least a limited, developmental biological weapons research and development effort.

These incidents clearly reaffirm Cuba's hostility to the United States and the threat it represents to our national security. As a result, Administration policy considers visits by senior Cuban officials, at this time, to be inappropriate and detrimental to the national interest.

That said, the Administration is open to transforming the relationship. The President's initiative offers a serious alternative, one which we urge the Government of Cuba to weigh carefully.

Presently, sales of medicine and agricultural commodities to Cuba are, while subject to certain restrictions, legal. Sales of medicine have been legal

since passage of the Cuban Democracy Act of 1992 (CDA); the Government of Cuba, however, has been reluctant to purchase medicine and medical equipment from the United States at least in part because it finds prices to be too high. In 1999, President Clinton authorized the licensing by Commerce's Bureau of Export Administration of sales of food and agricultural inputs to independent entities in Cuba, including religious groups, private farmers and private sector undertakings such as family restaurants. This measure did not result in significant sales because the Cuban government opposed it.

The Trade Sanctions Reform and Export Enhancement Act of 2000 (TSRA) permitted the Cuban government to purchase, on a cash basis or with financing by third-country financial institutions, agricultural commodities from the United States. Through late 2001, Castro refused to buy "even a grain of rice" from the United States. He executed a 180 degree policy turn, however, after Hurricane Michelle last November.

Despite the Castro regime's implacable hostility, the Administration has carried out and will continue to carry out its responsibilities under TSRA. Since Cuba decided to make food purchases from the United States, Cuba has made more than \$40 million in sales, with another \$50 million reported to be in progress. Overall the Administration has licensed more than \$1.2 billion worth of agricultural commodities for Cuba since implementation of TSRA in July 2001. These purchases demonstrate the Cuban regime's strong motivation to complete these sales, particularly taking into account that the Cuban government has chosen to use its very limited foreign exchange reserves in these transactions. This is one reason for the Administration's policy judgment that marketing visits by Cuban trade officials are not necessary to conclude purchases of U.S. agricultural commodities.

Applications for visas by Cuban officials are considered on a case-by-case basis at the time of application in accordance with existing law and in light of current policy considerations. The Department of State recognizes that visits to agricultural production facilities to address certain sanitary and phytosanitary issues may be needed so that sales can be completed. Visas have been issued to such personnel in the past and such visa applications as are received by the U.S.

Interests Section will be carefully considered. In addition, representatives of American firms who wish to arrange legally permitted trade can request specific licenses from the Department of Treasury that allow travel-related transactions for visits to Cuba.

In conclusion, as the President said yesterday, quoting Jose Marti, "Barriers of ideas are stronger than barricades of stone." For the benefit of Cuba's people, it is time for Mr. Castro to cast aside old and failed ideas and to start to think differently about the future. Today could mark a new dawn in a long friendship between our people, but only if the Castro regime sees the light."

Thank you Mr. Chairman.